

United States Department of the Interior Bureau of Land Management

Finding of No Significant Impacts Environmental Assessment DOI-BLM-UT-G010-2013-133-EA

August 2013

November 2013 Oil and Gas Lease Sale

Location: Vernal Field Office
Uintah County, Utah

Applicant/Address: U.S. Department of the Interior
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Introduction

The Bureau of Land Management (BLM) has completed an environmental assessment (EA), DOI-BLM-UT-G010-2013-133-EA, in order to address nominated parcels within the Vernal Field Office (FO) for the November 2013 Oil and Gas Lease Sale.

In processing the expressions of interest (EOIs) filed with this office, BLM considered oil and gas leasing on 17 parcels within the Vernal FO. Based on the National Environmental Policy Act (NEPA) screening process, 10 parcels were deferred. Seven parcels, consisting of 5,505.51 acres, will be offered at the November 2013 Oil and Gas Lease Sale.

Eight nominated parcels were deferred in their entirety due to the presence of greater sage-grouse occupied habitat pursuant to Washington Office (WO) Instruction Memoranda (IM) Nos. 2012-043, 2012-044 and 2010-117. One nominated parcel was deferred in its entirety due to the presence of the state of Utah's proposed Sage Grouse management Area (SGMA). One nominated parcel was dropped from the sale because it was already a part of an existing lease.

This Finding of No Significant Impacts (FONSI) addresses the following 7 parcels: UT1113-522, UT1113-523, UT1113-586, UT1113-587, UT1113-590, UT1113-591, and UT1113-591A.

Oil and gas leasing provides for the orderly development of fluid mineral resources under BLM's jurisdiction in a manner consistent with multiple use management and environmental consideration for the resources that are present. Adequate protections are included with the leases to protect public health and safety and assure full compliance with the objectives of NEPA, as amended, and other federal environmental laws and regulations.

Continued leasing is necessary to maintain options for exploration of oil and gas as companies seek new areas for production or attempt to locate and develop previously unidentified, inaccessible or uneconomical reserves. The sale of oil and gas leases will assist in meeting the growing energy needs of the United States.

The underlying need for the proposal has been met while accomplishing the multiple use management mandate and the following purposes:

1. Consider environmental impacts;
2. Protect public health and safety;
3. Assure full compliance with the objectives of NEPA and other federal environmental laws and regulations designed to protect the environment; and
4. Meet the growing energy needs of the United States public.

Finding of No Significant Impact Determination

Based upon a review of the EA, I have determined that the project is not a major federal action and it will not significantly affect the quality of the human environment, individually or cumulatively with other actions in the general area. No environmental effects meet the definition of significance in context or intensity as defined in 40 Code of Federal Regulation (CFR) 1508.27 and do not exceed those effects described in the Final Environmental Impact Statements (EIS) prepared for the Vernal Field Office Record of Decision and Approved Resource Management Plan (ROD/RMP) (2008, as maintained). Therefore, an environmental impact statement (EIS) is not needed.

This finding is based on the context and intensity of the proposal as described:

Context: The lease sale involved 7 parcels (6,261.32 acres) of BLM administered lands within the Vernal FO that by themselves do not have international, national, regional, or state-wide importance.

Intensity: The following discussion is organized around the Ten Significance Criteria described in 40 CFR 1508.27 and incorporated into resources and issues considered in the EA (includes supplemental authorities Appendix 1 H-1790-1) and supplemental Instruction Memorandum, Acts, regulations and Executive Orders. The following have been considered in evaluating intensity for this proposal:

1. Impacts may be both beneficial and adverse. The proposed leasing would impact resources as described in the EA. Mitigation measures, which include lease stipulations and notices, to reduce impacts to other natural resources were incorporated in the leases, as documented in Appendix A, and were based on decisions within the RMP, as maintained.

None of the environmental effects discussed in detail in the EA and associated appendices are considered significant, nor do the effects exceed those described in the RMP. Should all of the offered parcels be developed, they may contribute substantially to local, regional and national energy supplies. Additional, site-specific NEPA analysis and further mitigation (as warranted) to reduce environmental impacts will be required at the Application for Permit to Drill (APD) stage.

2. The degree to which the selected alternative will affect public health or safety. Leasing for oil and gas and subsequent exploration and development is an on-going activity on public lands. The stipulations and notices attached to the leases and the additional NEPA analysis and potential protections applied at the APD stage, ensure that development of the leases would occur in a way that protects public health and safety. For example, spill prevention plans would be required and any drilling operations would be conducted under the safety requirements of the Federal Onshore Oil and Gas Orders (Onshore Orders), recommended practices of the American Petroleum Institute, and other industry requirements for the protection of worker safety and public health.

Environmentally responsible oil and gas operations, including health and safety, are outlined within the EA at sections 2.2. All operations, including well pad and road construction, water handling, and plugging and abandonment, will be conducted in accordance with the "Gold Book," *Surface Operating Standards for Oil and Gas Exploration and Development*. The Gold Book provides operators with a combination of

guidance and standards for ensuring compliance with agency policies and operating requirements, such as those found in 43 CFR Subpart 3160, the Onshore Orders and notices to lessees. Also included in the Gold Book are environmental best management practices; these measures are designed to provide for safe and efficient operations while minimizing undesirable impacts to the environment. For example, handling of produced water is addressed in Onshore Oil and Gas Order No. 7, which prescribes measures required for the protection of surface and ground water sources. During reclamation, if the fluids within the reserve pit have not evaporated within 90 days, the fluid would be pumped from the pit and disposed of in accordance with applicable regulations.

3. Unique characteristics of the geographic area such as proximity to cultural resources and Traditional Cultural Properties, recreation, visual resources, vegetation, and wildlife. In an April 16, 2013 letter to the Utah State Historic Preservation Office (SHPO), BLM made a determination of no historic properties affected. SHPO concurrence was received on April 27, 2013. In all cases, the standard lease notice and the cultural stipulation identified in WO IM 2005-003 are attached to the lease parcels.

The following resources and uses analyzed in the EA (including supplemental authorities, Appendix 1 H-1790-1) are not affected because they are not present in the project area: BLM natural areas, Wild and Scenic Rivers, Wilderness Study Areas, and Wilderness. In addition, the following resources and uses analyzed in the EA (including supplemental authorities, Appendix 1 H-1790-1), although present, would not be affected by this proposed action for the reasons listed in Appendix C of the EA: cultural resources, Native American Religious Concerns, environmental justice, fuels/fire management, geology/minerals/energy production, invasive species/noxious weeds, soils and vegetation, lands/access, livestock grazing/range, wetland/riparian, socio-economics, wastes, floodplains, groundwater quality, hydrologic conditions, surface water quality, waters of the U.S., wild horses, and woodlands/forestry. The Appendix C Interdisciplinary Team Checklist contains the specialists' determinations and rationale statements for those elements not present or impacted by the proposal.

Issues, including changes brought forward by an internal review, are discussed in the EA and Appendix C. Significance thresholds were not exceeded for any resource or use of the public land by the proposed action. The stipulations and notices attached to the lease parcels, including the standard lease terms under the Onshore Oil and Gas Lease Orders and those developed in the RMP and recommended in the EA, take into account the resource values and appropriate management constraints prescribed in the governing land use plan, as amended and maintained.

4. The degree to which the effects on the quality of the human environment are likely to be highly controversial. Scientific controversy over the nature of the impacts does not exist. The oil and gas exploration and development that could follow leasing is a common practice on public lands. The nature of the activities and the resultant impacts are understood and have been analyzed and disclosed to the public through existing BLM NEPA documents and within the EA.

5. The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks. As stated above, leasing and

subsequent exploration and development of oil and gas is not unique or unusual. The BLM has experience implementing the oil and gas program, and the environmental effects to the human environment are fully analyzed in existing NEPA documents and within the EA. Therefore, there are no predicted effects on the human environment that are considered to be highly uncertain or involve unique or unknown risks.

6. The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration. Reasonably foreseeable actions connected to the decision to lease have been considered. A lessee's right to explore and drill for oil and gas, at some location on a lease with standard stipulations and controlled surface use stipulations, is implied by issuance of the lease. A lessee must submit an APD identifying the specific location and drilling plan to the BLM for approval and it must be approved by the BLM prior to drilling. An appropriate NEPA document is prepared prior to approval of the APD. Following BLM's approval of an APD, a lessee may produce oil and gas from a lease without additional approval. The impacts which may result from oil and gas development from leasing the parcels included in the selected alternative were considered by an interdisciplinary team within the context of past, present, and reasonably foreseeable future actions and, as stated below, significant cumulative effects are not predicted.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts – which include connected actions regardless of land ownership. The interdisciplinary team evaluated the possible actions in the context of past, present and reasonably foreseeable future actions. Significant cumulative effects are not predicted. A complete disclosure of the effects, including cumulative effects, of leasing the selected parcels is contained in Chapter 4 of the EA.

It is anticipated that the respective stipulations and notices associated with the Proposed Action would reduce the impacts to specific resources and areas within the cumulative impact analysis area (CIA). The minimal amount of disturbance associated with the expected level of development in the CIA, in combination with Gold Book standard operating practices, best management practices, and additional protective measures that would minimize development impacts, would result in a negligible cumulative impact on the resources within the CIA.

8. The degree to which the action may adversely affect districts, sites, highways, structures, or other objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historical resources. Leasing of the parcels, as provided for in the Proposed Action alternative of the EA, will not adversely affect districts, sites, highways, structures, or other objects listed in or eligible for listing in the National Register of Historic Places, nor will it cause loss or destruction of significant scientific, cultural, or historical resources.

If actual surface-disturbing activities result on the leases, site specific cultural resource inventories will be conducted and appropriate consultation pursuant to section 106 of the National Historic Preservation Act (NHPA) will be done. It is likely that wells could be located on any leased parcel without disturbing any archaeological or historic sites that may be present.

As discussed in item 3 above, consultation with SHPO has been completed in accordance with section 106 of the NHPA and the SHPO has concurred with the effects determination made by the Vernal FO. Given the requirements of the Onshore Orders, the governing land use plan and the other stipulations placed on the leases, scientific, cultural or historical resources would not be significantly affected. In addition, the following has been included as a formal stipulation WO IM 2005-003 on all of the lease parcels subject to this sale:

This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the NHPA and other authorities. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated.

The following Native American Tribes were notified of the proposal via certified letter dated April 19, 2013: Northwest Band of Shoshone Nation, Goshute Tribe, White Mesa Ute Tribe, Laguna Pueblo Tribe, Santa Clara Pueblo Tribe, Navajo Nation, Ute Tribe, Hopi Tribe, Southern Ute Tribe, Ute Mountain Tribe, Zia Pueblo Tribe, and the Eastern Shoshone Tribe. No concerns were raised. The BLM has determined that the proposed leases have no potential to affect Tribes or Traditional Cultural Properties.

9. The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973, or the degree to which the action may adversely affect: 1) a proposed to be listed endangered or threatened species or its habitat, or 2) a species on BLM's sensitive species list. BLM programmatically consulted with the USFWS regarding the oil and gas leasing program in 2008, which resulted in the stipulations and notices that were incorporated from the 2008 RMP. On February 26, 2013, BLM sent the preliminary parcel list the United States Fish and Wildlife Service (USFWS). This letter initiated the lease sale NEPA process including inviting stakeholders to attend parcel site visits.

Impacts to threatened, endangered, and candidate species will occur as described in chapter 4 of the EA. The BLM committed to attaching the appropriate lease notices that were designed to manage and protect specific listed species in conjunction with the authority of the Endangered Species Act (ESA) and the standard terms and conditions of an oil and gas lease. The BLM and USFWS have agreed upon the language of the lease notice which notifies lessees of specific species that require protection under the ESA.

In the *Federal Register* on August 06, 2013, the USFWS published proposed rules for the listing of Graham's beardtongue and White River penstemon as threatened, and for the identification of proposed critical habitat for both species. Parcels 590, 591, and 591A are located mostly or entirely within the proposed critical habitat. This office has determined that the standard Endangered Species Notice to Leasee, in combination with the following stipulations and notices which will be applied to all three parcels, is

sufficient to disclose to potential bidders the presence of those species on the parcels: WO-IM-2002-174 (Endangered Species Act Stipulation), T&E-05 (Listed Plant Species Notice), UT-LN-51 (Special Status Plants: Not Federally Listed Notice), and UT-LN-90 (Graham's Beardtongue Notice). In addition, the majority of those three parcels are subject to a No Surface Occupancy stipulation due to slopes greater than 40% (UT-S-100) or floodplains (UT-S-123), which will minimize the potential for any future surface disturbing activities associated with oil or gas development to impact those species.

As documented in chapter 5 of the EA, BLM consulted with USFWS in preparing for the lease sale. BLM also coordinated with the UDWR. Both of these agencies, who have jurisdiction by law and expertise, were involved with BLM's application of stipulations and notices.

10. Whether the action threatens a violation of a federal, state, local, or tribal law, regulation or policy imposed for the protection of the environment, where non-federal requirements are consistent with federal requirements. The sale of the parcels included in the November 2013 lease sale does not violate any known federal, state, local or tribal law or requirement imposed for the protection of the environment. State, local, and tribal interests were given the opportunity to participate in the environmental assessment process.

In addition, based on the emissions estimates and consideration of the parcel locations relative to population centers and Class 1 areas, no significant air resource impacts including greenhouse gases, are anticipated. Detailed analysis or modeling is not warranted.

The project is consistent with the applicable resource management plans, policies, and programs as indicated in section 1.5, Conformance with BLM Land Use Plans, included in the EA. Additional consultation and coordination will be required during review and approval of site-specific proposals for oil and gas exploration, drilling and development.

Authorized Officer

Date